

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re: W. R. Grace & Co., et al
Debtor

Case No. 01-01139 Jointly Administered
Reporting Period: May 2006

MONTHLY OPERATING REPORT

File with Court and submit copy to United States Trustee within 20 days after end of month

Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1	X	
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (con't)	X	
Copies of bank statements		X	
Cash disbursements journals			Not available
Statement of Operations	MOR-2	X	
Balance Sheet	MOR-3	X	
Status of Postpetition Taxes	MOR-4	X	
Copies of IRS Form 6123 or payment receipt			Not available
Copies of Federal income tax returns filed during reporting period			None filed
Summary of Unpaid Postpetition Debts	MOR-4		See Note #4
Listing of aged accounts payable			See Note #4
Accounts Receivable Reconciliation and Aging	MOR-5	X	
Debtor Questionnaire	MOR-5	X	

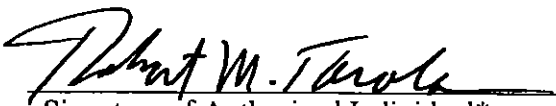
I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the documents attached are true and correct to the best of my knowledge and belief.

Signature of Debtor

Date

Signature of Joint Debtor

Date



Signature of Authorized Individual*

29 JUNE 2006

Date

Robert M. Tarola

Printed Name of Authorized Individual

Senior Vice President and
Chief Financial Officer

Title of Authorized Individual

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

W. R. Grace & Co.
Monthly Financial Report
May 31, 2006

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Monthly Operating Report

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Bank Statements

Federal Income Tax Returns

none

Forward-Looking Information

This monthly financial report contains forward-looking information that involves risks and uncertainties. For such information, Grace claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Actual results could differ materially from the results predicted, and reported results should not be considered as a indication of future performance. Factors that could cause actual results to differ from those contained in the forward-looking information include those factors set forth in Grace's most recent Annual Report on Form 10-K and quarterly reports on Form 10-Q, which have been filed with the Securities Exchange Commission.

Statement of Confidentiality

The information contained in the monthly financial report contains confidential information of W. R. Grace & Co. and its subsidiaries (the "Confidential Information"). The Confidential Information has been prepared solely for information purposes and may not be disclosed to any person or entity or reproduced, disseminated or disclosed, in whole or in part, except to officers, directors, employees, and representatives of the recipient ("Representatives") or as required by applicable law or regulation. By receipt of the Confidential Information, each recipient agrees to (1) use the Confidential Information only to enhance its understanding of Grace and its businesses, and (2) inform its Representatives of the confidential nature of such information and direct them to treat such information in accordance with the terms. Each recipient agrees to be responsible for any breach of these provisions by any of its Representatives.

Monthly Operating Report

Chart 1

W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

May 2006

	J.P. Morgan Chase Disbursement 9101013572	First Union Deposit Acct 2109500021812	First Union Payroll 20799000006815	Merrill Lynch Investment 3323735	Bank of America Lockbox 6168703107	J.P. Morgan Chase Holding 320223141	J.P. Morgan Chase Concentration 16001257
CASH BEGINNING OF MONTH	-	\$ 1	\$ -	\$ 84,686,204	\$ 1,552	\$ 778,914	\$ 2,200,585
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES					2,111		
ACCOUNTS RECEIVABLE - INTERCOMPANY							
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES		703,479		387,702		3,011	6,833,301
TRANSFERS IN - NONFILING ENTITIES							26,674,749
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	200,000			76,900,000			208,255,021
MISCELLANEOUS							
TOTAL RECEIPTS	200,000	703,479	-	77,287,702	2,111	3,011	241,763,071
DISBURSEMENTS							
PAYROLL							
PAYROLL TAXES							
TRADE PAYABLES - THIRD PARTIES							1,030,683
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES							227,164
TRANSFERS OUT - THIRD PARTIES	228,092						3,460,841
TRANSFERS OUT - NONFILING ENTITIES							10,928,798
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		703,095		63,400,000			183,772,691
MISCELLANEOUS		384					
TOTAL DISBURSEMENTS	228,092	703,479	-	63,400,000	-	-	199,419,976
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(28,092)	-	-	13,887,702	2,111	3,011	42,343,096
CASH - END OF MONTH	#VALUE!	\$ 1	\$ -	\$ 98,573,906	\$ 3,663	\$ 779,924	\$ 44,543,680

Note #1

Various payments are made by W. R. Grace & Co. - Conn on behalf of certain other debtor entities, generally and primarily those that are inactive and/or have no direct employees. Such expenditures are generally de minimis and could include professional fees, state registration fees, business license fees and certain taxes.

Chart 1

W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

May 2006

	Bank of America Lockbox 8188203114	Bank of America Securities LLC 22330134	First Union Concentration 2000000282172	First Union Payroll 2079900016741	First Union Petty Cash 2079900005600	First Union Lobby Medical 2079900005006
CASH BEGINNING OF MONTH	\$ 1,630,315	\$ 58,325,024	\$ -	\$ 2	\$ -	\$ -
RECEIPTS						
ACCOUNTS RECEIVABLE - THIRD PARTIES	53,574,696					
ACCOUNTS RECEIVABLE - INTERCOMPANY	2,175,807					
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI						
DIP BORROWINGS						
TRANSFERS IN - THIRD PARTIES		226,621				
TRANSFERS IN - NONFILING ENTITIES						
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS			125,800,000	18,103,573	309	154,077
MISCELLANEOUS					1,309	
TOTAL RECEIPTS	55,750,702	226,621	125,800,000	18,103,573	1,618	154,077
DISBURSEMENTS						
PAYROLL				11,229,063		
PAYROLL TAXES				6,601,572		
TRADE PAYABLES - THIRD PARTIES						
TRADE PAYABLES - INTERCOMPANY						
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI						
DIP PRINCIPAL REPAYMENTS						
DIP INTEREST AND USAGE FEES						
TRANSFERS OUT - THIRD PARTIES	2,469,638				1,618	154,077
TRANSFERS OUT - NONFILING ENTITIES						
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	53,710,150	20,000,000	121,512,204			
MISCELLANEOUS			4,287,796	272,938		
TOTAL DISBURSEMENTS	56,179,788	20,000,000	125,800,000	18,103,573	1,618	154,077
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(429,084)	(19,773,379)	-	-	-	-
CASH - END OF MONTH	\$ 1,201,231	\$ 38,551,645	\$ -	\$ 2	\$ -	\$ -

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Chart 1

W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

May 2006

	First Union Accts Payable 2079920005761	First Union Payroll 2079900067564	Wachovia Lockbox 1886-082635	First Union Accts Payable 2079900005280	First Union Accts Payable 2079900005231	SunTrust Payroll 000000141309	PNC 4002641360	Hibernia Natl Disbursement 101391210	JP Morgan Chase Lockbox 304616494
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ 0	\$ -	\$ -	\$ 45,246	\$ 24,447	\$ 10,000	\$ 11,349,543
RECEIPTS									
ACCOUNTS RECEIVABLE - THIRD PARTIES			6,848,184						33,250,539
ACCOUNTS RECEIVABLE - INTERCOMPANY			805,420						38,067,113
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI									
DIP BORROWINGS									
TRANSFERS IN - THIRD PARTIES									153,712
TRANSFERS IN - NONFILING ENTITIES									
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	54,549,153			1,520,695	47,184,397				
MISCELLANEOUS	4,745,980		53,552		4,015,985				
TOTAL RECEIPTS	59,295,133	-	7,707,135	1,520,695	51,200,382	-	-	-	71,471,364
DISBURSEMENTS									
PAYROLL									
PAYROLL TAXES									
TRADE PAYABLES - THIRD PARTIES	(a) 59,295,133			455,255	51,200,382				
TRADE PAYABLES - INTERCOMPANY									
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI									
DIP PRINCIPAL REPAYMENTS									
DIP INTEREST AND USAGE FEES									
TRANSFERS OUT - THIRD PARTIES							54		
TRANSFERS OUT - NONFILING ENTITIES									
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			7,707,135						82,734,641
MISCELLANEOUS				1,065,440					
TOTAL DISBURSEMENTS	59,295,133	-	7,707,135	1,520,695	51,200,382	-	54	-	82,734,641
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-	-	-	-	(54)	-	(11,263,276)
CASH - END OF MONTH	\$ -	\$ -	\$ 0	\$ -	\$ -	\$ 45,246	\$ 24,393	\$ 10,000	\$ 86,267

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(a) These disbursements include Libby indictment, legal, and indemnification costs of \$8,369,122.

W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

May 2006

	Alfred Payroll 16298657	First Union Petty Cash 2040000018900	Banco de Credito Operating Acct 1931115122068	Banco de Credito Operating Acct 1931126963172	Banco Interam de Finanzas 007000107847
CASH BEGINNING OF MONTH	\$ -	\$ 1,000	\$ 11,931	\$ 601,145	\$ 505
RECEIPTS					
ACCOUNTS RECEIVABLE - THIRD PARTIES			8,475	237,452	-
ACCOUNTS RECEIVABLE - INTERCOMPANY			-	-	-
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI			-	-	-
DIP BORROWINGS			-	-	-
TRANSFERS IN - THIRD PARTIES			199,666	1,145	10,002
TRANSFERS IN - NONFILING ENTITIES			-	-	-
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS			-	-	-
MISCELLANEOUS					
TOTAL RECEIPTS	-	-	208,141	238,597	10,002
DISBURSEMENTS					
PAYROLL			16,760	6,677	-
PAYROLL TAXES			87,786	-	-
TRADE PAYABLES - THIRD PARTIES			-	-	-
TRADE PAYABLES - INTERCOMPANY			-	-	-
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI			-	-	-
DIP PRINCIPAL REPAYMENTS			-	-	-
DIP INTEREST AND USAGE FEES			-	-	-
TRANSFERS OUT - THIRD PARTIES			88,907	200,000	4,034
TRANSFERS OUT - NONFILING ENTITIES			-	-	-
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			-	-	-
MISCELLANEOUS			15,504	22,524	2,631
TOTAL DISBURSEMENTS	-	-	208,957	229,201	6,665
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	(817)	9,396	3,336
CASH - END OF MONTH	\$ -	\$ 1,000	\$ 11,115	\$ 610,541	\$ 3,841

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Chart 1

W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

May 2006

	Banco Interam de Finanzas 7000107707	Banco Sudamer Operativo Acct 10220251	Banco Sudamer Operativo Acct 10220260	Cash In Transit	Cash on Hand	Other
CASH BEGINNING OF MONTH	\$ 157,057	\$ -	\$ (1)	\$ 3,795,132	\$ 44,425	\$ 84,281
RECEIPTS						
ACCOUNTS RECEIVABLE - THIRD PARTIES	541,378			1,415		
ACCOUNTS RECEIVABLE - INTERCOMPANY	-					
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI	-					
DIP BORROWINGS	-					
TRANSFERS IN - THIRD PARTIES	1,685					
TRANSFERS IN - NONFILING ENTITIES	-					
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	-					
MISCELLANEOUS						508,762
TOTAL RECEIPTS	543,063	-	-	1,415	-	508,762
DISBURSEMENTS						
PAYROLL	-					
PAYROLL TAXES	-					
TRADE PAYABLES - THIRD PARTIES	-					
TRADE PAYABLES - INTERCOMPANY	435,885					
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI	-					
DIP PRINCIPAL REPAYMENTS	-					
DIP INTEREST AND USAGE FEES	-					
TRANSFERS OUT - THIRD PARTIES	10,000					
TRANSFERS OUT - NONFILING ENTITIES	-					
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	-					
MISCELLANEOUS	9,138			3,796,548		
TOTAL DISBURSEMENTS	455,003	-	-	3,796,548	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	88,060	-	-	(3,795,131)	-	508,762
CASH - END OF MONTH	\$ 245,117	\$ -	\$ (1)	\$ 1	\$ 44,425	\$ 593,044

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W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

May 2006

	CURRENT MONTH	
	ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 163,745,310	\$ -
RECEIPTS		
ACCOUNTS RECEIVABLE - THIRD PARTIES	94,464,429	
ACCOUNTS RECEIVABLE - INTERCOMPANY	41,048,340	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI	-	
DIP BORROWINGS	-	
TRANSFERS IN - THIRD PARTIES	8,520,323	
TRANSFERS IN - NONFILING ENTITIES	26,674,749	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	532,667,225	
MISCELLANEOUS	9,325,589	
TOTAL RECEIPTS	712,700,655	-
DISBURSEMENTS		
PAYROLL	11,252,500	
PAYROLL TAXES	6,689,358	
TRADE PAYABLES - THIRD PARTIES	111,981,454	
TRADE PAYABLES - INTERCOMPANY	435,865	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI	-	
DIP PRINCIPAL REPAYMENTS	-	
DIP INTEREST AND USAGE FEES	227,164	
TRANSFERS OUT - THIRD PARTIES	6,617,060	
TRANSFERS OUT - NONFILING ENTITIES	10,928,796	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	533,539,917	
MISCELLANEOUS	9,472,900	
TOTAL DISBURSEMENTS	691,145,014	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	21,555,641	-
CASH - END OF MONTH	\$ 185,300,951	\$ -

Note #1

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Chart 1

W.R. Grace & Co.

Schedule of Cash Receipts and Disbursements

MOR-1

May 2006

	J.P. Morgan Chase Pass Through 323881963	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ -
RECEIPTS			
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	-
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	-
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	-
DIP BORROWINGS		-	-
TRANSFERS IN - THIRD PARTIES		-	-
TRANSFERS IN - NONFILING ENTITIES		-	-
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	292,691	292,691	-
TOTAL RECEIPTS	292,691	292,691	-
DISBURSEMENTS			
PAYROLL		-	-
PAYROLL TAXES		-	-
TRADE PAYABLES - THIRD PARTIES		-	-
TRADE PAYABLES - INTERCOMPANY		-	-
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	-
DIP PRINCIPAL REPAYMENTS		-	-
DIP INTEREST AND USAGE FEES		-	-
TRANSFERS OUT - THIRD PARTIES		-	-
TRANSFERS OUT - NONFILING ENTITIES		-	-
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	292,691	292,691	-
MISCELLANEOUS		-	-
TOTAL DISBURSEMENTS	292,691	292,691	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

Chart 1

Remedium Group, Inc.

Schedule of Cash Receipts and Disbursements

MOR-1

May 2006

	JP Morgan Chase Depository/Wire: 323883842	JP Morgan Chase Disbursement 601831985	Other	CURRENT MONTH	
				ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 0	\$ (30,679)	\$ 0	\$ (30,679)	\$ -
RECEIPTS					
ACCOUNTS RECEIVABLE - THIRD PARTIES				-	
ACCOUNTS RECEIVABLE - INTERCOMPANY				-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI				-	
DIP BORROWINGS				-	
TRANSFERS IN - THIRD PARTIES				-	
TRANSFERS IN - NONFILING ENTITIES				-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		292,721		292,721	
TOTAL RECEIPTS	-	292,721	-	292,721	-
DISBURSEMENTS					
PAYROLL				-	
PAYROLL TAXES				-	
TRADE PAYABLES - THIRD PARTIES				-	
TRADE PAYABLES - INTERCOMPANY				-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI				-	
DIP PRINCIPAL REPAYMENTS				-	
DIP INTEREST AND USAGE FEES				-	
TRANSFERS OUT - THIRD PARTIES		282,181		282,181	
TRANSFERS OUT - NONFILING ENTITIES				-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	30			30	
MISCELLANEOUS				-	
TOTAL DISBURSEMENTS	30	282,181	-	282,211	
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(30)	10,541	-	10,511	
CASH - END OF MONTH	\$ (30)	\$ (20,139)	\$ 0	\$ (20,169)	\$ -

Chart 1

Darex Puerto Rico, Inc.

Schedule of Cash Receipts and Disbursements

MOR-1

May 2006

	Citibank Operating Acct 300153011	Petty Cash	Other	Cash-In-Transit	CURRENT MONTH	
					ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 8,477,877	\$ 1,500	\$ -	\$ -	\$ 8,479,377	\$ -
RECEIPTS						
ACCOUNTS RECEIVABLE - THIRD PARTIES	529,911				529,911	
ACCOUNTS RECEIVABLE - INTERCOMPANY					-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI					-	
DIP BORROWINGS					-	
TRANSFERS IN - THIRD PARTIES					-	
TRANSFERS IN - NONFILING ENTITIES					-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	768,670				768,670	
TOTAL RECEIPTS	1,298,582	-	-	-	1,298,582	-
DISBURSEMENTS						
PAYROLL	5,417				5,417	
PAYROLL TAXES	2,305				2,305	
TRADE PAYABLES - THIRD PARTIES	2,802,442				2,802,442	
TRADE PAYABLES - INTERCOMPANY					-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI					-	
DIP PRINCIPAL REPAYMENTS					-	
DIP INTEREST AND USAGE FEES					-	
TRANSFERS OUT - THIRD PARTIES					-	
TRANSFERS OUT - NONFILING ENTITIES					-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	768,670				768,670	
MISCELLANEOUS					-	
TOTAL DISBURSEMENTS	3,578,835	-	-	-	3,578,835	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(2,280,253)	-	-	-	(2,280,253)	-
CASH - END OF MONTH	\$ 6,197,623	\$ 1,500	\$ -	\$ -	\$ 6,199,123	\$ -

Chart 1

Grace International Holdings Schedule of Cash Receipts and Disbursements MOR-1 May 2006			
	Grace International Holdings 323136524	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ -
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

Chart 1

CC Partners Schedule of Cash Receipts and Disbursements MOR-1 May 2006			
	First Union Deposit Acct 2159500031802	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ -
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	-
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	-
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	-
DIP BORROWINGS		-	-
TRANSFERS IN - THIRD PARTIES		-	-
TRANSFERS IN - NONFILING ENTITIES		-	-
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	-
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	-
PAYROLL TAXES		-	-
TRADE PAYABLES - THIRD PARTIES		-	-
TRADE PAYABLES - INTERCOMPANY		-	-
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	-
DIP PRINCIPAL REPAYMENTS		-	-
DIP INTEREST AND USAGE FEES		-	-
TRANSFERS OUT - THIRD PARTIES		-	-
TRANSFERS OUT - NONFILING ENTITIES		-	-
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	-
MISCELLANEOUS		-	-
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

Chart 1

Kootenai Development Company
Schedule of Cash Receipts and Disbursements
MOR-1
May 2006

	First National Bank of Montana 1049097	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 60,288	\$ 60,288	\$ -
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS		-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS		-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)		-	-
CASH - END OF MONTH	\$ 60,288	\$ 60,288	\$ -

Chart 1

Grace Europe, Inc.

Schedule of Cash Receipts and Disbursements

MOR-1

May 2006

	Barclays Bank PLC	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ -
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

Chart 1

Gloucester New Communities Company, Inc.
Schedule of Cash Receipts and Disbursements
MOR-1
May 2006

	Cash On Hand	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 500	\$ 500	\$ -
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS		-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS		-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)		-	-
CASH - END OF MONTH	\$ 500	\$ 500	\$ -

Chart 1

Dewey & Almy, LLC			
Schedule of Cash Receipts and Disbursements			
MOR-1			
May 2006			
	Miscellaneous	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ -
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS		-	
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	
CASH - END OF MONTH	\$ -	\$ -	\$ -

[illegible]

[illegible]

Chart 2

W. R. Grace & Co. - Conn
Bank Reconciliations
April, 2006
MOR-1

	First Union Payroll 2079900015741	First Union Petty Cash 2079900005600	Citic Bank Payroll 15502015736	First Union Libby Medical 20799000065008	First Union Accts Payable 20799200005751
Balance per books	\$ 2	\$ -	\$ -	\$ -	\$ -
Bank Balance	\$ -	\$ -	\$ -	\$ -	\$ -
(+) Deposits in transit					
(-) Outstanding checks	(531,743)	(462)			(6,763,537)
Other	531,745	462			6,763,537
Adjusted bank balance	\$ 2	\$ -	\$ -	\$ -	\$ -
Deposits in Transit	Date Amount	Date Amount	Date Amount	Date Amount	Date Amount
Outstanding Checks	Ck. # Amount	Ck. # Amount	Ck. # Amount	Ck. # Amount	Ck. # Amount
	Detail Available	12586 (15)			Detail Available
		32048 (20)			
		32049 (1)			
		33960 (1)			
		34066 (50)			
		34243 (1)			
		37009 (88)			
		39027 (6)			
		39028 (33)			
		39029 (35)			
		39030 (26)			
		39031 (31)			
		39032 (55)			
		39033 (100)			
Other					
Transfers between bank accounts	531,745				
Accounting error					
Interest not recorded on books					
Bank fees not recorded on books					
Payroll tax payments not recorded					
Unreconciled bank activity					
Unreconciled ledger activity		5,229			(1,924,250)
Reclass negative cash balance		(4,767)			(2,006)
Returned item adjustment					8,689,793
Payroll/other activity in transit					
Petty cash funds					
Reporting reclass					
Unrecorded deposit					

[illegible]

	SunTrust Payroll 00000141309	PNC 4002641360	Habema Nail Disbursement 101391210	Bank of America Payroll 0000 0002 2137	Allfirst Payroll 16298657
Balance per books	\$ 45,246	\$ 24,447	\$ 10,000	\$ -	\$ -
Bank Balance	\$ 45,246	\$ 24,393	\$ 10,000	\$ -	\$ -
(+) Deposits in transit					
(-) Outstanding checks					
Other		54			
Adjusted bank balance	\$ 45,246	\$ 24,447	\$ 10,000	\$ -	\$ -
Deposits in Transit	Date Amount	Date Amount	Date Amount	Date Amount	Date Amount
Outstanding Checks	Ck # Amount	Ck # Amount	Ck # Amount	Ck # Amount	Ck # Amount
Other					
Transfers between bank accounts					
Accounting error					
Interest not recorded on books					
Bank fees not recorded on books					
Payroll tax payments not recorded					
Unreconciled bank activity					
Unreconciled ledger activity					
Reclass negative cash balance					
Returned item adjustment					
Payroll/other activity in transit					
Petty cash funds					
Reporting reclass					
Unrecorded deposit					

	First Union Petty Cash 2040000016300	Banco de Credito Operating Acct 1931115122058	Banco de Credito Operating Acct 1931125963172	Banco de Interam de Finanzas 7000107847	Banco de Interam de Finanzas 7000107707
Balance per books	\$ 1,000	(Soles) 39,600	\$ 601,145	(Soles) 1,676	\$ 157,057
Bank Balance	\$ -	39,600	\$ 603,467	5,319	\$ 157,057
(+) Deposits in transit					
(-) Outstanding checks				(3,643)	
Other	1,000		(2,322)		
Adjusted bank balance	\$ 1,000	(Soles) 39,600	\$ 601,145	(Soles) 1,676	\$ 157,057
Deposits in Transit	Date Amount	Date	Date	Date	Date
Outstanding Checks	Ck # Amount	Ck #	Ck #	Ck #	Ck #
				044 (3,643)	
Other					
Transfers between bank accounts					
Accounting error					
Interest not recorded on books					
Bank fees not recorded on books					
Payroll tax payments not recorded					
Unreconciled bank activity					
Unreconciled ledger activity					
Reclass negative cash balance					
Returned item adjustment					
Payroll/other activity in transit					
Petty cash funds	1,000				
Reporting reclass					
Unrecorded deposit					

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Chart 2

Remedium Group, Inc. Bank Reconciliations April, 2006 MOR-1				
	JP Morgan Chase Pass Through 323883542		JP Morgan Chase Disbursement 601831985	
Balance per books	\$ -		\$ (30,679)	
Bank Balance	\$ -		\$ -	
(+) Deposits in transit				
(-) Outstanding checks			(30,679)	
Other				
Adjusted bank balance	\$ -		\$ (30,679)	
Deposits in Transit	Date	Amount	Date	Amount
Outstanding Checks	Chk #	Amount	Chk #	Amount
			7026	(5,459)
			7031	(262)
			7062	(1,250)
			7102	(262)
			7191	(265)
			7197	(1,060)
			7198	(1,331)
			7199	(1,395)
			7208	(11)
			7209	(78)
			7210	(132)
			7211	(147)
			7212	(222)
			7213	(320)
			7214	(1,309)
			7215	(1,658)
			7216	(3,415)
			7217	(3,540)
			7218	(7,063)
			7220	(1,500)
Other				
Transfers between bank accounts				
Accounting error				
Interest not recorded on books				
Bank fees not recorded on books				
Payroll tax payments not recorded				
Unreconciled bank activity				
Unreconciled ledger activity				
Returned item adjustment				
Payroll activity in transit				
Petty cash funds				

Chart 2

Darex Puerto Rico, Inc. Bank Reconciliations April, 2006 MOR-1		
	Citibank Operating Acct 300153011	
Balance per books	\$ 8,477,877	
Bank Balance	\$ 8,624,242	
(+) Deposits in transit	631	
(-) Outstanding checks	(179,358)	
Other	32,362	
Adjusted bank balance	\$ 8,477,877	
Deposits in Transit	Date	Am't
	04/30/06	631
Outstanding Checks	Ck. #	Am't
	15461	(27)
	15904	(728)
	16971	(921)
	17225	(6,111)
	17288	(128,882)
	18083	(480)
	18154	(255)
	18165	(1,770)
	18174	(300)
	18177	(45)
	18180	(235)
	18173	(54)
	18179	(167)
	18187	(25,483)
	18186	(13,848)
	18185	(52)
Other		
Transfers between bank accounts		
Accounting error		
Interest not recorded on books		
Bank fees not recorded on books		
Payroll tax payments not recorded		
Unreconciled bank activity		32,362
Unreconciled ledger activity		
Returned item adjustment		
Payroll activity in transit		
Petty cash funds		

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W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended May 31, 2006

	W.R. Grace & Co. Conn.	W.R. Grace & Co.	Remedium Group, Inc.	CCHP, Inc.	CC Partners	Grace Washington Inc.	Libby Management Inc.	Grace Europe Inc.	L.B. Reedy Inc.
Net sales to third parties	\$ 87,202,441	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	39,282,625	-	-	-	-	-	-	-	-
Net sales to filing entities	266,926	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	5,531,017	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	(6,750,974)	4,253,082	610,316	19,173	845,233	-	2,602,915	-	-
	125,532,034	4,253,082	610,316	19,173	845,233	-	2,602,915	-	-
Cost of goods sold to third parties	56,342,394	-	(3,423)	-	-	-	-	-	-
Cost of goods sold to non-filing entities	33,113,711	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	259,422	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	(a) 31,258,084	-	6,133	-	-	150,000	-	-	-
Research and development expenses	3,299,713	-	-	-	-	-	-	-	-
Depreciation and amortization	4,709,288	-	2,200	-	-	-	-	-	-
Interest expense	5,856,738	-	-	-	-	-	-	-	-
Other expense (income)	(156,529)	-	-	-	-	-	-	-	-
	134,682,820	-	4,911	-	-	150,000	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	(9,150,786)	4,253,082	605,406	19,173	845,233	(150,000)	2,602,915	-	-
Chapter 11 reorganization expenses, net	(1,906,729)	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	3,375,759	(1,488,579)	(212,056)	(6,710)	(295,832)	2,625	(911,020)	(2,526)	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ (7,681,756)	\$ 2,764,503	\$ 393,350	\$ 12,463	\$ 549,401	\$ (147,375)	\$ 1,691,895	\$ (2,526)	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

(a) Amount includes \$5,206,038 of expenses for Grace's legal and indemnification costs related to the Libby indictment. \$2,353,052 of this amount relates specifically to the indemnification costs of the seven current and former employees under indictment.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended May 31, 2006

	Grace International Holdings, Inc.	Danco Puerto Rico, Inc.	Alewile Land Corporation	Alewile Boston, Ltd.	Five Alewile Boston, Ltd.	GN Holdings, Inc.	MBA Holdings Corp.	MBA Intermedco, Inc.	MBA Staffing Systems, Inc.
Net sales to third parties	\$ -	\$ 606,785	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	1,313,308	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	(1,579,744)	-	-	-	-	-	-	-	-
	(266,436)	606,785	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	273,615	18,757	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	32,079	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	67,747	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	85,257	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income)	(75,331)	10,465	-	-	-	-	-	-	-
	(75,331)	469,163	18,757	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	(191,105)	137,622	(18,757)	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	82,417	(48,167)	6,565	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ (108,688)	\$ 89,455	\$ (12,192)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended May 31, 2006

	Kootenai Development Company	CB Biomedical, Inc.	Amicon, Inc.	Grace Environmental Inc.	Grace Chemical Company of Cuba	Southern Oil Resin & Fiberglass, Inc.	Guiana Caribbe Land Development Corporation	Dewey & Almy LLC	A.T. Bell & Tool Co., Inc.	Grace Tarpon Investors, Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
Other expense (income)	-	-	-	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended May 31, 2006

	G.C. Limited Partners I, Inc.	Monolith Enterprises Incorporated	Grace Culinary Systems, Inc.	Grace Hotel Services Corporation	Monroe Street Inc.	Grace H.C. Inc.	Hanover Square Corporation	Ecarg, Inc.	W.R. Grace Land Corporation
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income)	-	-	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended May 31, 2006

	G.C. Management Inc.	Water Street Corporation	Del Taco Restaurants Inc.	W.R. Grace Capital Corporation	Gloucester New Communities Company, Inc.	Creative Food N Fun Company	Grace PAB Corporation	Grace A-B Inc.	Homco International Inc.	GPC Thomasville Corp.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
Other expense (income)	-	-	-	-	-	-	-	-	-	-
(Loss) Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended May 31, 2006

	Grace Ventures Corp.	Grace Energy Corporation	GEC Management Corporation	Grace Offshore Company	Coalgrace Inc.	Grace A-B II Inc.	Grace H-G II Inc.	Coalgrace II Inc.	Gracelocal Inc.	Gracelocal Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
Other expense (income)	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended May 31, 2006

	Grace Drilling Company	Grace Petroleum Libya Incorporated	Axial Basin Ranch Company	Hayden-Gluch West Coal Company	H-G Coal Company	Eliminations between Filing Entities	Conversion to Equity Method	COMBINED FILING ENTITIES
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 87,809,226
Net sales to non-filing entities	-	-	-	-	-	-	-	39,282,625
Net sales to filing entities	-	-	-	-	-	(266,926)	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	6,844,325
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-
	-	-	-	-	-	(266,926)	-	133,936,176
Cost of goods sold to third parties	-	-	-	-	-	-	-	56,031,344
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	33,113,711
Cost of goods sold to filing entities	-	-	-	-	-	(291,501)	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	31,481,964
Research and development expenses	-	-	-	-	-	-	-	3,299,713
Depreciation and amortization	-	-	-	-	-	-	-	4,796,745
Interest expense	-	-	-	-	-	-	-	5,856,738
Other expense (income)	-	-	-	-	-	-	-	(221,396)
	-	-	-	-	-	(291,501)	-	134,358,819
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	24,575	-	(422,643)
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	(1,906,729)
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	502,476
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	10,735,668	10,735,668
Net (loss) income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,575	\$ 10,735,668	\$ 8,908,772

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
MOR - 3
May 31, 2006

	W.R. Grace & Co. Conn.	W.R. Grace & Co.	Remediation Group, Inc.	CCHP, Inc.	CC Partners	Grace Washington, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ 185,400,925	\$ -	\$ (20,169)	\$ -	\$ -	\$ -
Accounts and other receivables, net	124,479,460	-	14,560	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	377,827,870	(397,158,618)	(27,826,006)	12,878,572	(67,800,812)	(11,456,001)
Inventories	96,933,647	-	-	-	-	-
Deferred income taxes	21,868,803	-	2,329,000	-	-	-
Other current assets	16,809,711	-	-	-	-	-
Total Current Assets	823,320,416	(397,158,618)	(25,502,615)	12,878,572	(67,800,812)	(11,456,001)
Properties and equipment, net	379,725,369	-	388,776	-	-	-
Goodwill	14,499,091	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	86,428,551	-	-	-	-	-
Deferred income taxes	1,040,115,340	-	23,363,341	-	-	-
Asbestos-related insurance receivable	500,000,000	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(1,530,318,489)	969,567,350	113,646,581	5,377,528	232,875,104	-
Investment in filing and non-filing entities	821,732,783	241,512,111	-	-	-	-
Other assets	41,644,008	-	-	-	-	-
Total Assets	\$ 2,177,147,067	\$ 813,920,842	\$ 111,896,084	\$ 18,256,100	\$ 165,074,292	\$ (11,456,001)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	68,127,174	-	22,477	-	-	-
Income taxes payable	350,910	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	105,891,143	-	(564)	-	-	1,412
Total Current Liabilities	174,369,227	-	21,914	-	-	1,412
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	296,903,706	-	-	-	-	-
Minority interest in consolidated affiliates	45,700,400	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	354,457,537	-	-	-	-	-
Total Liabilities Not Subject to Compromise	871,430,870	-	21,914	-	-	1,412
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	705,791,635	-	-	-	-	-
Accounts payable	30,712,958	-	665,607	-	-	-
Income taxes payable	30,771,521	58,739,247	(12,724,431)	264,258	12,123,818	(16,540)
Asbestos-related liability	1,700,000,000	-	-	-	-	-
Other liabilities	521,506,388	-	73,408,688	-	2,038,811	-
Total Liabilities Subject to Compromise	2,988,782,501	58,739,247	61,349,864	264,258	14,162,629	(16,540)
Total Liabilities	3,860,213,371	58,739,247	61,371,777	264,258	14,162,629	(15,128)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	83,968,960	796,374	12,223	1,000	-	1,000
Paid in capital	142,809,878	419,608,590	9,724,449	34,052,467	56,011,577	-
(Accumulated deficit)/Retained earnings	(1,488,482,801)	438,580,726	40,787,635	(16,061,625)	94,900,087	(11,441,873)
Treasury stock, at cost	-	(103,804,194)	-	-	-	-
Accumulated other comprehensive loss	(421,362,341)	100	-	-	-	-
Deferred compensation trust	-	100	-	-	-	-
Total Shareholders' Equity (Deficit)	(1,683,066,304)	755,181,595	50,524,306	17,991,842	150,911,664	(11,440,873)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 2,177,147,067	\$ 813,920,842	\$ 111,896,084	\$ 18,256,100	\$ 165,074,292	\$ (11,456,001)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
MOR - 3
May 31, 2006

	Litigation Management, Inc.	Grace Europe, Inc.	CB Realty, Inc.	Grace International Holdings, Inc.	Darex Puerto Rico, Inc.	Alewisa Land Corporation
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 6,199,123	\$ -
Accounts and other receivables, net	-	94,744	-	-	2,411,697	-
Receivables from/(payables to) filing and non-filing entities, net	(386,938,610)	5,697,636	140,524,854	(85,317,924)	1,899,462	(4,643,064)
Inventories	-	(0)	-	-	236,432	-
Deferred income taxes	-	87,611	-	-	13,389	-
Other current assets	-	-	-	-	-	-
Total Current Assets	(386,938,610)	5,879,991	140,524,854	(85,317,924)	10,760,103	(4,643,064)
Properties and equipment, net	-	-	-	-	712,872	-
Goodwill	-	-	-	-	1,256,948	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	541,823,029	(3,282,889)	-	37,028,913	-	-
Investment in filing and non-filing entities	-	-	-	58,669,464	-	-
Other assets	-	54,000	-	(10,073,649)	8,232,692	-
Total Assets	\$ 154,884,419	\$ 2,651,101	\$ 140,524,854	\$ 306,804	\$ 20,962,616	\$ (4,643,064)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	25,470	-	-	994,988	-
Income taxes payable	-	-	-	-	(350,642)	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	355,957	-	-	45,335	-
Total Current Liabilities	-	381,427	-	-	689,681	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	0	-	2,630,316	-	-
Minority interest in consolidated affiliates	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	381,428	-	2,630,316	689,681	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	133,907	-
Income taxes payable	37,351,318	(954,097)	(150)	(12,556,291)	2,910,070	(218,796)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	250,316	-	-	-	-
Total Liabilities Subject to Compromise	37,351,318	(703,781)	(150)	(12,556,291)	3,043,977	(218,796)
Total Liabilities	37,351,318	(322,353)	(150)	(9,925,975)	3,733,658	(218,796)
Shareholders' Equity (Deficit)						
Preferred Stock	112	-	-	-	-	-
Common Stock	1,000	1,000	-	1,000	1,000	200
Paid in capital	(29,267,410)	-	25,358,993	61,845,489	13,074,177	274,606
(Accumulated deficit)/Retained earnings	146,799,399	(487,557)	115,166,011	(95,846,494)	4,153,780	(4,699,073)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	3,460,012	-	44,232,784	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	117,533,101	2,973,455	140,525,004	10,232,779	17,228,957	(4,424,268)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 154,884,419	\$ 2,651,101	\$ 140,524,854	\$ 306,804	\$ 20,962,616	\$ (4,643,064)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
MOR - 3
May 31, 2006

	Alewite Boston Ltd.	Five Alewite Boston Ltd.	GN Holdings, Inc.	MRA Holdings Corp.	MRA Intermedco, Inc.	MRA Slating Systems, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(2,143,580)	-	(57,817,172)	(110)	(330)	(23,021)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	(2,143,580)	-	(57,817,172)	(110)	(330)	(23,021)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related Insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	34,053,467	54,500,000	54,500,000	56,011,577
Other assets	-	-	-	-	-	-
Total Assets	\$ (2,143,580)	\$ -	\$ (23,763,706)	\$ 54,499,890	\$ 54,499,670	\$ 55,988,556
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Minority interest in consolidated affiliates	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(210)	-	-	(110)	(330)	(6,389)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(210)	-	-	(110)	(330)	(6,389)
Total Liabilities	(210)	-	-	(110)	(330)	(6,389)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	931,540	1	130	130
Paid in capital	-	-	9,408,460	54,499,999	54,499,870	54,499,870
(Accumulated deficit)/Retained earnings	(2,143,370)	-	(34,103,706)	-	-	1,494,945
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	(2,143,370)	-	(23,763,706)	54,500,000	54,500,000	55,994,945
Total Liabilities and Shareholders' Equity (Deficit)	\$ (2,143,580)	\$ -	\$ (23,763,706)	\$ 54,499,890	\$ 54,499,670	\$ 55,988,556

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
MOR - 3
May 31, 2006

	Kootenai Development Company	CB Biomedical, Inc.	Amicon, Inc.	Grace Environmental, Inc.	Grace Chemical Company of Cuba	Southern Oil Resin & Fiberglass, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ 60,288	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(10,483)	(26,614,022)	57,347,191	(7,283,826)	-	-
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	7,029	-	-	-	-	-
Total Current Assets	56,833	(26,614,022)	57,347,191	(7,283,826)	-	-
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	1,630,940	-	-	-	-	-
Total Assets	\$ 1,687,773	\$ (26,614,022)	\$ 57,347,191	\$ (7,283,826)	\$ -	\$ -
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Minority interest in consolidated affiliates	551,649	5,000	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	551,649	5,000	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(10,023)	(195)	10,346,794	(230)	-	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(10,023)	(195)	10,346,794	(230)	-	-
Total Liabilities	541,626	4,805	10,346,794	(230)	-	-
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	-	5,150	-	-
Paid in capital	1,164,954	859,233	3,671,658	5,144,850	-	-
(Accumulated deficit)/Retained earnings	(18,806)	(27,478,060)	43,427,950	(12,433,596)	-	-
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	(99,212)	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	1,146,148	(26,618,827)	47,000,396	(7,283,596)	-	-
Total Liabilities and Shareholders' Equity (Deficit)	\$ 1,687,773	\$ (26,614,022)	\$ 57,347,191	\$ (7,283,826)	\$ -	\$ -

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.